



Deep Roots
Greater Heights

District of Maple Ridge

TO: His Worship Mayor Ernie Daykin and Members of Council **DATE:** April 26, 2010
FROM: Chief Administrative Officer **ATTN:** Council Workshop
SUBJECT: Financial Plan Amending Bylaw No. 6739-2010

EXECUTIVE SUMMARY:

The 2010 property tax assessment roll has been received from BC Assessment and the property tax rate bylaw has been prepared. Prior to establishing the tax rates, it is desirable to update our financial plan to reflect information received since the plan's adoption in January. Our 2009 financial statements are being finalized, and preliminary results have been reviewed with Council. As in previous years and as reported to Council in the preliminary year end update, projects that were budgeted for in the prior year but were not completed have been reviewed. This financial plan includes the amendments required to carry forward the funding to complete these projects.

The Financial Plan Bylaw that is adopted prior to the Tax Rates Bylaw is the budget that is used in our Annual Report. In order for this financial plan bylaw to be adopted on May 11, the meeting at which the tax rates bylaw will be considered, three readings are required at Council Workshop on May 3.

The Financial Plan Bylaw includes several relatively new legislated requirements including a more explicit form of revenue and tax policy disclosure the objectives and policies regarding the proportions of revenue proposed to come from various funding sources, the distribution of property taxes among property classes and the use of permissive tax exemptions.

RECOMMENDATION(S):

That Bylaw No. 6739-2010 be given first, second and third readings.

DISCUSSION:

a) Background Context:

Previous 2010-2014 Financial Plan

The 2010-2014 Business Plans and an overview of the financial plan were presented to Council at public meetings held on November 30 and December 1, 2009. Business Plans from all areas including the Capital Works Program and the 2010-2014 Financial Plan Overview report were provided. Financial Plan Bylaw 6708-2009 was adopted in January.

Highlights of the plan include:

- property tax increase of 4% in 2010-2014, which includes 1% for infrastructure sustainability and 3% for general purposes,

- for 2010-2012 an increase to the fire department service improvement levy of \$600,000 plus growth since 2005, the year of the inception of the levy. The increase is less in 2013, and there is no increase in 2014,
- water user fee increase of 9% per year, sewer user fee increase of 5% per year, and recycling rates increase of 4.9% in 2010 and 3% in 2011-2014.

In last year's financial plan, Council adopted an aggressive capital program and this plan builds on that direction.

We have approximately \$1 billion invested in our infrastructure and it is essential that we properly manage it. This financial plan sets aside dedicated money for sustaining our infrastructure. We are a growing community and with that growth comes pressure on our existing services. This financial plan provides funding to help meet growth related demands. The funding for growth and for infrastructure sustainability are in line with Council's Financial Sustainability Policies.

Given the level of uncertainty in reaching the target of 2.35% growth in taxation revenue some funding was left unallocated to ensure that our existing commitments could be met before taking on any incremental costs. The actual growth was 1.5% or close to two thirds of what was planned so the funds which were left unallocated were needed to cover the shortfall.

b) Financial Plan Implications:

The 2010-2014 Financial Plan is being amended to carry forward funding for projects that were approved in 2009 but were not completed as of year end. The previously approved funding sources remain unchanged and total:

- \$ 2.5 million for Operating Commitments and
- \$ 75.5 million for Capital Commitments

The plan is further amended to incorporate recent information.

These amendments include:

1. The transfer to accumulated surplus for 2010 has been reduced from about \$357,000 to \$3,000 as a result of the adjustments noted below.
2. The actual real growth in tax revenue of 1.5% compared to a previously budgeted 2.35%. This represents a revenue reduction of about \$400,000.
3. The cost of the recycling program was updated to reflect a payment covering our share of the 2009 operating loss of the recycling operations. The payment of \$141,000 was funded through the Recycling Reserve.
4. Other adjustments to operating budgets include the library contract, grant in lieu of taxes for BCBC and BC Hydro, benefit costs, pension costs, the removal of the inflation contingency for 2010, the update of expected debt payments, updated cost share revenue and adjustments to the timing of transfers to Capital Works Reserve to balance the budget.

5. Capital projects adjustments include:
 - A cost increase of the air/lighting truck for the fire department, the addition of an antenna on Fire Hall #1 and the moving of a generator to Fire Hall #3, all of which are funded through the Fire Department Capital Reserve.
 - The cost of an intersection upgrade was updated to include the grant funding portion which has been secured.
 - Shifting the existing funding for fibre optic conduit putting a higher priority on the connection of the expansion of the network to Corrections.
 - The addition of storm drainage works on 230 Street funded by the Infrastructure Sustainability Reserve
 - Two park purchases which are underway have been added to the capital program with funding contemplated from Development Cost Charges and the Parkland Acquisition Reserve.
 - Advancing a portion of the projects budget to design the bridge 232 Street Bridge over the N. Alouette in 2010 with construction scheduled for 2011.
6. Based on the 2009 operating results we are able to proceed with the \$1,000,000 of repaving costs discussed during business planning. A further \$30,000 has been added to the capital program funded from 2009 operating surplus to wrap approximately 30 more utility boxes.
7. The operating budget in Community Recreation Department has been updated to reflect some of the costs and revenue realities with which the group has faced for the last few years.
8. The maintenance costs for those parks converted to dog parks have been increased by \$16,000 to address a portion of the costs of the change in use and frequency of litter pickup. The incremental operating cost of these parks will be tracked.
9. Economic Development has received funding to move both the Administrative Assistant and the Business Retention and Expansion Officer to full time positions. This was achieved by allocating growth funding from each of the three divisions.

A table of changes is included as part of this report in Appendix A - Additional Amendments to the Financial Plan.

c) Desired Outcome:

A Financial Plan that accurately reflects the planned expenditures and methods of funding and is consistent with corporate strategic plans, policies and Council direction.

d) Strategic Alignment:

All departments updated their Business Plans which were prepared using the Business Planning Guidelines 13th Edition. These guidelines are reviewed and amended annually in consultation with Council. The Financial Plan reflects Council's Strategic Financial Sustainability Policies and Infrastructure Funding Strategy.

e) Citizen/Customer Implications:

The business plans have far reaching citizen and customer implications. The Financial Plan reflects the financial impact of the business plans. Property tax revenue and user fees are planned to increase as detailed in the above discussion.

f) Statutory Requirements and Policy Implications:

The Financial Plan has been prepared in accordance with statutory requirements and Municipal financial policies. There are several relatively new requirements in the Community Charter for the Financial Plan Bylaw, including: disclosure of the proportions of revenue proposed to come from various funding sources; the distribution of property taxes among property classes; and the use of permissive tax exemptions. The attached bylaw includes this information.

In 2009 we reported our assets and the related amortization expense to be in compliance with accounting rules in PSAB 3150. The Financial Plan Bylaw now includes a figure for the annual amortization expense and an offsetting entry to draw down the value of the Tangible Capital Assets. These items are accounting entries and do not represent cash being spent.

The amortization figure does have some relevance for financial planning, even if it is based on historic cost rather than a replacement costs. If we compare the annual amortization expense to the amount to what we spend on replacement of our existing assets or transfer to reserves to later fund the same one would see that the amortization expense is considerably more. This highlights the fact that we currently have an infrastructure funding gap which means that we are consuming more of our assets that we are replenishing. Fortunately, we have relatively new infrastructure so we have some time to bridge this funding gap. The District's financial sustainability policies calls for Council to dedicate a property tax increase of 1% per year to fund a significant portion of this gap, over time.

Public consultation is an important and legislated component of preparing financial plans. The Business Planning Guidelines are updated in spring with an opportunity for the public to provide feedback. Public input during business planning this December was invited through advertisements in the local paper and on the corporate website. Input was accepted through many different mediums including in person at the business planning presentations which were open to the public or through email or voicemail. A further opportunity existed for public comment on the Financial Plan Bylaw prior to adoption.

For the amendment to the Financial Plan an advertisement will be placed in the local paper once the bylaw receives first reading from Council. Public input into the financial plan and departmental business plans is incorporated indirectly through regular feedback and interaction with customers and the public as well as through the results of surveys.

g) Alternatives:


In the event that this bylaw is not adopted, the District is not authorized to make any expenditure other than those identified in the 2010-2014 Financial Plan Bylaw No. 6708-2009. This would require departments curtail or delay expenditures and only proceed with capital projects that were identified in the previous financial plan.

CONCLUSIONS:

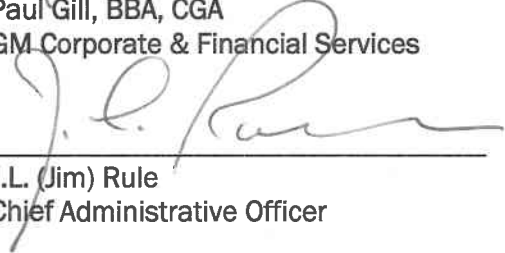
The Financial Plan is a multi-year planning, reviewing and reporting tool that represents Council's vision and commitment to providing quality services to the residents of Maple Ridge. The Plan provides a forecast of the financial resources that are available to fund operations, programs and infrastructure for the five year period.



Prepared by: Trevor Thompson, BBA, CGA
Manager of Financial Planning



Approved by: Paul Gill, BBA, CGA
GM Corporate & Financial Services



Concurrence: J.L. (Jim) Rule
Chief Administrative Officer

Appendix A – Additional Amendments to the Financial Plan

Operating Fund (General Revenue)	2010	2011	2012	2013	2014
Transfer to Surplus (Previous Adopted Budget)	357,128	265,937	235,352	332,941	497,799
Property Taxes - General (growth & sup contingency)	(413,329)	(416,570)	(457,668)	(490,770)	(551,006)
Grants in Lieu (BCBC, BC Hydro)	(27,414)	12,597	32,882	69,074	69,074
Translink Maintenance Funding (OMR)	144,422	144,422	144,422	144,422	144,422
Maintenance - Roads network	(144,422)	(144,422)	(144,422)	(144,422)	(144,422)
PM Recovery - Carryforwards & Other Adjustments	11,364	15,974	17,214	18,200	19,603
Recycling Contract - 2009 Operating Deficit	(141,009)				
Recycling Reserve	141,009				
Dispatch Cost Savings more than \$100,000 in 2010	73,804				
Reduce Transfer from Police Services Reserve	(73,804)				
Library Contract	86,796	91,125	95,700	125,923	132,218
Common Costs for Library	(14,300)	(14,300)	(14,300)	(14,300)	(14,300)
Dog Park Mtce (gross, Pitt Meadows shares in cost)	16,000	16,000	16,000	16,000	16,000
Economic Development Staffing	(10,970)	(22,417)	(25,217)	(28,274)	(31,550)
Growth Funding from Divisions		22,417	25,217	28,274	31,550
Community Recreation & GMYC	(39,576)	(38,773)	(37,969)	(37,165)	(36,361)
Benefit Related Costs	77,541	54,328	28,895	7,644	(24,334)
Recovery from Utilities for Audit Costs for TCA	6,250				
Reduce Inflation Contingency, now \$0 for 2010	89,555	22,529	13,152	23,060	46,826
Adjust Capital Works Transfers to balance	(105,000)	15,000	90,000		
Debt payments updated, offset by transfers from DCC, CWR, & FDCA					
Other adjustments	(22,574)	(13,819)	(13,400)	(12,967)	(11,710)
Balance Transfer to Accumulated Surplus	11,471	10,028	5,858	37,640	143,809

Appendix A – Additional Amendments to the Financial Plan (continued)

Capital (changes funded through reserves)	2010	2011	2012	2013	2014
216 St @ 218 Ave Traffic Signal	276,664				
Grant Funding	(276,664)				
230 St Storm Drainage Improvement	100,000				
Infrastructure Sustainability Reserve	(100,000)				
Design 232 St bridge (N Alouette)	300,000	(300,000)			
Timing of DCC contribution	(300,000)	300,000			
Fire Hall #1 Air Lighting Truck increase	200,000				
Fire Hall #1 Antenna	25,000				
Fire Department - Generator move	50,000				
Fire Department Capital Reserve	(275,000)				
Park Purchase - 223 St	300,000				
Park Purchase - N. Alouette	150,000				
Funding DCC/CWR/PAR	(450,000)				
Road Resurface Program	1,000,000				
Infrastructure Sustainability (2009 Surplus)	(1,000,000)				
Utility Box Wraps	30,000				
Surplus	(30,000)				
Hamond Community Centre Furnace	15,000				
Reserve Account - Improvements	(15,000)				
Capital Impact to General Revenue	0	0	0	0	0
Assets					
Depreciation - Fixed Assets	16,484,905	16,979,452	17,488,836	18,013,501	18,553,906
Draw down Surplus in Tangible Capital Assets	(16,484,905)	(16,979,452)	(17,488,836)	(18,013,501)	(18,553,906)

DISTRICT OF MAPLE RIDGE

BYLAW NO. 6739-2010

Maple Ridge 2010-2014 Financial Plan Amending Bylaw No. 6739-2010

WHEREAS, through a public process in an open meeting the business plans and resulting financial plan were presented;

AND WHEREAS, the public will have the opportunity to provide comments or suggestions with respect to the financial plan;

AND WHEREAS, Council deems this to a process of public consultation under section 166 of the Community Charter.

NOW THEREFORE, the Council of the District of Maple Ridge enacts as follows:

1. This Bylaw may be cited as "Maple Ridge 2010-2014 Financial Plan Amending Bylaw No. 6739-2010".
2. Statement 1, Statement 2 and Statement 3 attached to and forming part of Maple Ridge Financial Plan Bylaw 6708 -2009 are deleted in their entirety and replaced by Statement 1, Statement 2 and Statement 3 attached and forming part of Maple Ridge Financial Plan Amending Bylaw No. 6739-2010.

READ a first time the day of , 2010.

READ a second time the day of , 2010.

READ a third time the day of , 2010.

PUBLIC CONSULTATION completed on the day of , 2010.

RECONSIDERED and adopted the day of , 2010.

PRESIDING MEMBER

CORPORATE OFFICER

Attachments: Statement 1, Statement 2 and Statement 3

Statement 1
Consolidated Financial Plan 2010-2014
(in thousands)

	2010	2011	2012	2013	2014
REVENUES					
External Revenues					
Development Fees					
Developer Cost Charges	\$21,304	\$9,193	\$11,726	\$5,759	\$7,958
Developer Specified Projects	\$0	\$0	\$0	\$0	\$0
Parkland Acquisition	\$486	\$200	\$200	\$200	\$200
Contributions from Others	\$4,929	\$3,699	\$3,995	\$6,227	\$3,560
Development Fees Total	\$26,719	\$13,092	\$15,921	\$12,186	\$11,718
Property Taxes	\$54,514	\$58,532	\$62,744	\$66,824	\$70,999
Parcel Charges	\$2,513	\$2,642	\$2,778	\$2,921	\$3,071
Fees & Charges	\$31,125	\$32,850	\$34,677	\$36,635	\$38,773
Interest	\$1,885	\$1,885	\$1,885	\$1,885	\$1,885
Grants (Other Govts)	\$30,062	\$2,202	\$4,992	\$10,808	\$2,952
Property Sales	\$0	\$0	\$0	\$0	\$0
Total External Revenues	\$146,818	\$111,203	\$122,997	\$131,259	\$129,398
EXPENDITURES					
External Expenditures					
Other Expenditures	\$81,407	\$82,185	\$86,283	\$90,208	\$94,444
Amortization Expense	\$16,485	\$16,979	\$17,489	\$18,014	\$18,554
Total External Expenditures	\$97,892	\$99,164	\$103,772	\$108,222	\$112,998
ANNUAL SURPLUS	\$48,926	\$12,039	\$19,225	\$23,037	\$16,400
OTHER ITEMS NOT INCLUDED IN ANNUAL SURPLUS					
Transfer from Tangible Capital Assets	\$16,485	\$16,979	\$17,489	\$18,014	\$18,554
Less: Capital Expenditures	\$105,921	\$23,379	\$29,262	\$30,717	\$15,298
Less: Principal Payments on Debt	\$4,059	\$5,315	\$7,689	\$7,754	\$8,620
Less: Interest Payments on Debt	\$2,959	\$3,358	\$3,574	\$3,479	\$3,588
Add: Borrowing Proceeds	\$28,851	\$3,386	\$4,094	\$6,050	\$0
CHANGE IN FINANCIAL POSITION	(\$18,677)	\$352	\$283	\$5,151	\$7,448
INTERNAL TRANSFERS					
Transfer from Reserve Funds					
Capital Works Reserve	\$3,312	\$866	\$2,045	\$853	\$853
Equipment Replacement Reserve	\$3,351	\$1,454	\$1,991	\$1,311	\$1,229
Fire Department Capital Reserve	\$2,085	\$0	\$950	\$0	\$350
Land Reserve	\$0	\$0	\$0	\$0	\$0
Local Improvement Reserve	\$0	\$0	\$0	\$0	\$0
Sanitary Sewer Reserve	\$252	\$0	\$0	\$0	\$0
Transfer from Reserve Fund Total	\$9,000	\$2,320	\$4,986	\$2,164	\$2,432
Less: Transfer to Reserve Funds					
Capital Works Reserve	\$857	\$850	\$720	\$711	\$1,082
Equipment Replacement Reserve	\$2,032	\$2,120	\$2,229	\$2,319	\$2,412
Fire Dept. Capital Acquisition	\$1,102	\$412	\$527	\$646	\$769
Land Reserve	\$20	\$20	\$20	\$20	\$20
Local Improvement Reserve	\$0	\$0	\$0	\$0	\$0
Sanitary Sewer Reserve	\$80	\$80	\$80	\$80	\$80
Total Transfer to Reserve Funds	\$4,091	\$3,482	\$3,576	\$3,776	\$4,363
Transfer from (to) Own Reserves	\$11,413	(\$332)	(\$1,201)	(\$1,686)	(\$2,575)
Transfer from (to) Surplus	\$2,355	\$1,142	(\$492)	(\$1,853)	(\$2,942)
Transfer from (to) Surplus *	\$13,768	\$810	(\$1,693)	(\$3,539)	(\$5,517)
TOTAL INTERNAL TRANSFERS	\$18,677	(\$352)	(\$283)	(\$5,151)	(\$7,448)

Statement 2

Revenue and Property Tax Policy Disclosure

REVENUE DISCLOSURE

Revenue Proportions	2010		2011		2012		2013		2014	
	\$ ('000s)	%	\$ ('000s)	%	\$ ('000s)	%	\$ ('000s)	%	\$ ('000s)	%
Revenues										
Property Taxes	54,514	31%	58,532	51%	62,744	49%	66,824	49%	70,999	55%
Parcel Charges	2,513	1%	2,642	2%	2,778	2%	2,921	2%	3,071	2%
Fees & Charges	31,125	18%	32,850	29%	34,677	27%	36,635	27%	38,773	30%
Borrowing Proceeds	28,851	16%	3,386	3%	4,094	3%	6,050	4%	-	0%
Other Sources	58,666	33%	17,179	15%	22,798	18%	24,879	18%	16,555	13%
Total Revenues	175,669	100%	114,589	100%	127,091	100%	137,309	100%	129,398	100%
Other Sources include:										
Development Fees Total	26,719	15%	13,092	11%	15,921	13%	12,186	9%	11,718	9%
Interest	1,885	1%	1,885	2%	1,885	1%	1,885	1%	1,885	1%
Grants (Other Govts)	30,062	17%	2,202	2%	4,992	4%	10,808	8%	2,952	2%
Property Sales	-	0%	-	0%	-	0%	-	0%	-	0%
	58,666	33%	17,179	15%	22,798	18%	24,879	18%	16,555	13%

Objectives & Policies

Property Tax Revenue is the District's primary revenue source, and one which is heavily reliant on the residential class. Diversification of the tax base and generation of non-tax revenue are ongoing objectives, outlined in Financial Sustainability Policy 5.52 section 6.

Business Planning Guidelines and the Financial Plan includes a 3% general tax increase, a 1% increase to fund replacement of existing infrastructure and an increase of \$600,000 plus growth since 2005, \$676,000 in 2010, to fund the Fire Department Master Plan implementation. More information can be found in the Business Planning Guidelines 13th Edition, Financial Sustainability Plan and the 2010-2014 Financial Plan Overview Report. Specific policies discussing the tax increases are included in the Financial Sustainability Plan and related policies which were adopted in 2004.

Parcel Charges are largely comprised of a recycling charge, a sewer charge and on certain properties a local area service or improvement charge. Parcel charges are a useful tool to charge all or a subset of properties for a fixed or variable amount to support services. Unlike property taxation the variable amount does not need to be related to property assessment value, but can be something that more accurately reflects the cost of the service.

Statement 2 (continued)

Revenue and Property Tax Policy Disclosure

Fees & Charges

The Business Planning Guidelines call for an increase of 5% in fees as a guideline. Actual fee increases vary depending on the individual circumstances, the type of fee and how it is calculated. Fees should be reviewed annually and updated if needed. Recent fee amendments include recreation fees, development application fees, business license fees and cemetery fees. A major amendment to the Development Costs Charges (DCC), recommended every 5 years, was completed in 2008. Minor DCC amendments are done more frequently. Some fees are to offset the costs of providing specific services. The utility fees are reviewed annually with a view towards using rate stabilization practices to smooth out large fluctuations in rates, as set out in the Business Planning Guidelines.

Borrowing Proceeds – Debt is used where it makes sense. Caution is used when considering debt as it commits future cash flows to debt payments restricting the ability to use these funds to provide other services. The source of the debt payments needs to be considered as does the justification for advancing the project. More information on borrowing approved in 2008 or 2009 and proposed for 2010-2014 can be found in the 2010-2014 Financial Plan Overview report.

Other Sources, will vary greatly year to year as it includes

- Development fees, which is the funding for capital projects from the DCC Reserve,
- Contribution from others in relation to capital,
- Interest earned on funds invested in accordance with the Investment Policy
- Grants, which are sought from various agencies, and may be leveraged with District funds.

PROPERTY TAX DISCLOSURE

Property Tax Revenue Distribution

Property Class	Taxation Revenue ('000s)		Assessed Value ('000s)		Tax Rate (\$/'1000)	Multiple (Rate/Res.Rate)
1 Residential	40,823	77.13%	10,434,223	91.52%	3.9124	1.00
2 Utility	458	0.87%	11,456	0.10%	40.0000	10.22
4 Major Industry	582	1.10%	18,076	0.16%	32.2003	8.23
5 Light Industry	2,247	4.25%	191,432	1.68%	11.7403	3.00
6 Business/Other	8,643	16.33%	736,221	6.46%	11.7403	3.00
8 Rec./ Non-Profit	49	0.09%	4,475	0.04%	10.8987	2.79
9 Farm	125	0.24%	5,205	0.05%	23.9963	6.13
	<u>52,928</u>		<u>11,401,088</u>			

Statement 2 (continued) Revenue and Property Tax Policy Disclosure

PROPERTY TAX DISCLOSURE

Objectives & Policies

Property taxes are the District's largest source of revenue and are only contained by efficient business practices. Annual business planning practices have been the mechanism for resource allocation decisions.

The District's Financial Sustainability Policy section 6 discusses the necessity of diversifying the tax base. As development of employment related properties is one method of diversification, key performance measurement in Economic Development tracks the increased investment and development of non-residential properties.

A policy in the Financial Sustainability Plan that calls for stable tax increases and the adoption of the annual increase early in the prior year in the Business Planning Guidelines provides citizens with a more stable and predictable set of cost increases. In some cases costs are phased in over multiple years to keep within the set tax increases.

Property Tax Rates

It is policy to adjust property tax rates annually to negate the impact of fluctuations in the market values of properties. (Tax rates are negatively correlated to market changes). Property tax increases are then applied at the same relative increase for all classes, unless legislation restricts the rates, as with Class 2, Utility.

The Business Class and Light Industry Class properties have the same tax rate and are treated as a composite class when setting the tax rates. This is done as the types of businesses in each class of property are quite similar. This was achieved over a long period of time with small incremental adjustments.

A review was done on the Major Industry Class rates and the recommendation from the Audit and Finance Committee and Council was a reduction of 5% in 2009 to the taxes collected to support additional investments in the subject property and to keep rates competitive. The municipal property taxes will be reduced again in 2010 by 5% as recommended by Council and included in the 2010-2014 Financial Plan.

In reviewing the tax rates to ensure competitiveness absolute rates, tax multiples and overall tax burden are considered. The impact that assessed values have on comparing other geographical areas must be considered in a comparison of tax rates or multiples.

Statement 2 (continued) Revenue and Property Tax Policy Disclosure

Permissive Tax Exemptions

Council has set policies around the use of permissive tax exemptions. They are Council Policies 5.19 through 5.24. The policies discuss Churches, Community Halls, Heritage Sites, Homes for the Care of Children and the Relief of the Aged, the Poor, the Disabled and the Infirm, Municipal Recreational Services, Private Hospitals and Daycares, Private School and Youth Recreation Groups.

Revitalization Tax Exemption

A revitalization tax exemption is available within a defined downtown area and provides a financial incentive to encourage higher density development (five stories or higher). A further financial incentive is available if the building meets specified environmental considerations. Further information is available in Bylaw 6412-2006.

Statement 3 Capital Expenditure Disclosure

The sole purpose of this statement is to meet legislative requirements, highlighting the value of the DCC program; no other conclusions should be drawn from the figures as the information could be misleading. This is required under the Local Government Act s. 937(2); Capital costs attributable to projects to be partially funded by Development Cost Charges (DCC) must be included in the financial plan. The DCC program includes projects as far out as 2026 so the capital expenditures must be extended to match. Certain types of projects are not planned past the five year time horizon of the financial plan. Much less scrutiny is given to projects that are planned in years 2015 through 2026. Projects in these years typically exceed likely funding available.

Capital Works Program for 2015 – 2026 (in thousands)

Capital Works Program	330,433
Source of Funding	
Development Fees	
Development Cost Charges	123,457
Parkland Acquisition Reserve	-
Contribution From Others	4,573
Development Fees Total	128,030
Borrowing Proceeds	19,297
Grants	28,927
Transfer from Reserve Funds	
Capital Works Reserve	11,027
Equipment Replacement Reserve	2,521
Fire Department Capital Reserve	2,000
Transfer from Reserve Funds Total	15,548
Revenue Funds	138,631
Source of Funding Total	330,433